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BEHAVIOURAL OPTIONS IN PROGRAMMING THE FUTURE ECONOMIC DEVELOPMENT OF SMALL RURAL HOUSEHOLDS

OPŢIUNI COMPORTAMENTALE ÎN PROGRAMAREA DEZVOLTĂRII ECONOMICE VIITOARE A GOSPODĂRIILOR RURALE DE MICI DIMENSIUNI

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Abstract: *Although the number of variables to consider when addressing the behavioural options of a farming household seem to be considerably large, most of the retained variables (in this paper) prove a number of patterns consistent to their current status and future aimed development. As proved by the findings presented certain declared or established development aim is always sustained by majority of answers and does not exclude the controversial answers opposite to the followed purpose. Aside from an unstructured path to the developing target, justifying the unconstructive answers, there can be reasons and factors not quantified in this paper as the purpose is to link the current reasons of their actions to the status and the development level achieved until present. These elements allow a rational analysis of their future development underlining the dynamic of those processes. The depicted situation for various types of small households, especially with farming activities can be acknowledged and more importantly allows future projections of structural changes for the rural areas.*

Key words: *small rural households, development patterns*

INTRODUCTION

One of the main concerns about the structural issues of the Romanian agriculture relates to the large number of small and very small farms. In fact, the discussion goes beyond the "farm" status and points to agricultural households. For this particular reason, the findings of the current paper are based on answers and declarations of intention of household owners with agricultural activities. In order not to include too

many households with an irrelevantly small size where the future economic development cannot present an important change, the selected households have a physical and economical size comparable to average semi-subsistence households. The analysed households presenting different evolution directions and intentions were retained in order to draw a number of development patterns as they result from the answers of their household heads.

There is little to no knowledge about the future intentions regarding the development of small rural households. Considering the statistical sources available, the structure of the rural households by size underlines a large number of small and very small households. Most of these households can be retrieved in the subsistence and semi-subsistence statistics as well. Taking into account the rural population and especially the rural active population they capture, the volumes are impressive and require detailed attention. Out of all instruments of public policy available for interventions solely the rural development programmes address the public targeted by this paper. For this reason we intend to take a closer look to their future development options considering the analysed segment as being at the same time the engine and the reservoir of development within the next programming periods in rural development.

MATERIALS AND METHODS

The main source of the present paper is represented by the scientific and technological report produced by the project S-FARM coordinated by the Joint Research Centre, Institute for Prospective and Technological Studies of the European Commission from Seville, „Economic prospect for semi-subsistence farm households in EU New Member States". The choice is justified by the contribution the author of the paper had as coordinator of the Romanian team in the project.

The sampling is retained as relevant for the purpose of the study as well as for the purpose of the current paper. The questionnaires were fulfilled in two counties selected as two extremes in terms of development. The choice of the villages was taking into account the accessibility and therefore the distance to the urban centres, including both near and distant localities. No villages with extreme conditions were retained. A number of five villages were initially selected for both type of conditions described above in each of the two counties. If insufficient respondents matching the

criteria of activities and size were found, extra villages were included. A total of 28 villages were visited and 153 questionnaires returned filled. The investigation was conducted by trained enumerators conducting a face to face interview.

The methodology relies on cluster analysis. Ward analysis is used in a first instance to get an overview and by the mean of averages in a second stage the allocation is improved by k-means to redistribute among the clusters [1].

The current analysis retains only the specific answers regarding the intentions of the household heads interviewed with regard to their future development and represents a part of the collected and compiled variables as used in the S-FARM scientific and technological report.

RESULTS AND DISCUSSIONS

Over 40% of the interviewed household heads are considering that maximizing the agricultural production or the annual cash balance is of low to lowest importance. By difference, the agricultural labour input reduction has a high importance for the respondents, as well as increasing the household's income and finding new income sources. Taking into account these answers the direction seems to point to a clear direction dominated rather by generating more income, not necessarily from agricultural activities, while the interest for free time outside any productive activities appears of high importance. Over the same group of respondents one important characteristic stands for over one third referring to the clearly appointed aim of continuing the agricultural activities. A larger share from the same group plan to extend and/or modernise their agricultural activities, while only 1/5 plan to reduce or give up agriculture, most of those last ones basically for the natural reason of not having a successor.

With regard to the quality of the cooperation and the general relations with other households of the same size, the first share of the respondents introduced above are well placed mentioning and ratting well this behavioural aspect. This situation could explain two other realities which are proving a low level of information received about the agricultural production generally or particularly and the willingness to take part in a collaborative form of association for production and/or marketing. The two elements could be linked as the participation into such structure could enhance at the same time the access and the quality of the information

received. Worth mentioning that although the highest shares of responses of this kind, the figures are still low not exceeding 10-15%.

A second group of respondents amounting about 15% of the total consider of high importance the increase of the annual cash balance while reducing the agricultural labour input. A particular reason for these options might be the advanced age of the respondents, the majority of them being retired from any professional activities.

Subsequent to our comment related to the age and the position of the respondents, most targets regarding medium or long term, such as income diversification, invest in the education of the next generation and free time are rated very low to lowest.

These households are not willing to open to any kind of collaboration and exchanges with similar or different households. However, when cooperation in production is mentioned, the rate of interest is raising, as most likely a number of tasks currently fulfilled by them could be undertaken. The conservative position of theses respondents appears to be clearly linked to their age and future prospects are limited or of no interest.

Among the respondents in this second group, about 40% plan to reduce and/or abandon agricultural activities in the future, every second respondent mentioning the same reasons as the previous group and that is the absence of a successor. However, over ¼ of the remaining respondents plan to extend and develop their farming activities.

A third group of respondents representing little over 25% of total are visibly oriented towards farming. They target the maximisation of the production while reducing the labour input. Parallel to the agricultural activities, dominant to these households the substantial growth of incomes from non-farming activities are closely followed among the major aims.

If the previous two groups were less interested in investing in education of the next generations and provide for other members of the household, this third group of respondents are clearly preoccupied by these items and rank them high among their priority development targets.

From the answers provided we can distinctively draw a development pattern for the third category of household heads oriented to the development and modernisation of their households as farms, while the farming activities will not rest the only income generation activities in the future.

The interest for collaboration appears rather high compared to the general common sense about the reticence to cooperate in and around the production activities in agriculture. These rates do not exceed 15% with the exception of the producers' groups where one per cent makes the difference.

The informal collaboration among peers is reflected as very positive and even outside the boundaries of the size, meaning small and very small households with agricultural activities, visibly in subsistence conditions, are correctly maintained.

One third of the total respondents are retrieved in the fourth group of household heads acting completely atypical to the other category of groups presented before.

This last category aims rather outside agriculture even if currently they do have agricultural activities to a relatively important extent. Not ranking too high the reduction of labour input among their farming activities while clearly aiming to provide for a better education of the next generations allow us to draw the most visible pattern of structured and planned development. The age of the respondents is also in favour of an approach similar to the one described in the previous phrase. The low rates of answers pointing to reducing or abandoning the agricultural activities are also sustained by the quasi-absence of motivating answers related to a successor issue.

CONCLUSIONS

Returning to the planned development and the different paths as defined by the choices of the respondents we can summarise as following, two fifths of the respondents from the first group aim maintain the farming activities at the level they are currently involving no development; every second respondent from the second group aim to extend or modernise the farm part of the household; equal shares of respondents from the third group, around two fifths aim totally opposite developments, while over one third wish to develop and increase the farming activities the other share prefer to reduce and/or abandon farming and finally, for the fourth group, while a small share, under one fourth plan to introduce no changes, the large majority nearing two thirds are clearly aiming to develop and/or modernise the farming part of their household.

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